UNITED NATIONS

General Assembly

FORTY-NINTH SESSION

Official Records

FIFTH COMMITTEE
8th meeting
held on
Friday, 21 October 1994
at 10 a.m.
New York

SUMMARY RECORD OF THE 8th MEETING

Chairman: Mr. TEIRLINCK (Belgium)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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AGENDA ITEM 130: FINANCING OF THE UNITED NATIONS ASSISTANCE MISSION FOR RWANDA

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Distr. GENERAL
A/C.5/49/SR.8
2 November 1994
ENGLISH
ORIGINAL: FRENCH

94-81782 (E)

The meeting was called to order at 10.20 a.m.

AGENDA ITEM 130: FINANCING OF THE UNITED NATIONS ASSISTANCE MISSION FOR RWANDA (A/49/375 and Corr.1 and Add.1 and A/49/501)

1. Mr. TAKASU (Controller), introducing the Secretary-General's report on the financing of the United Nations Observer Mission Uganda-Rwanda (UNOMUR) and the United Nations Assistance Mission for Rwanda (UNAMIR) (A/49/375 and Corr.1 and Add.1), said that the Security Council had extended the mandate of UNAMIR several times; the current mandate would expire on 9 December 1994. The Council had not only expanded the Mission's mandate but had also authorized an expansion of the UNAMIR force level up to 5,500 troops. The final mandate of UNOMUR had been extended for three months, until 21 September 1994. The Secretary-General's report (A/49/375) contained the cost estimate for the period from 5 April to 9 December 1994 and monthly cost estimates for a 12-month period, beginning on 10 December, which would ensure the operation of the Mission in the event that the Council decided to extend its mandate, as well as information on humanitarian assistance, voluntary contributions, status of reimbursement to troop-contributing States and the Secretary-General's observations and comments on previous recommendations by the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

2. By mid-September, the situation in Rwanda had changed and had necessitated a revision of the assumptions on which the cost estimates had been based. As a result of a further review of operational requirements, a corrigendum (A/49/375/Corr.1) had then been issued on 30 September 1994. The corrigendum provided information on the reduction to the cost estimate for the current period and for the period from 10 December 1994 to 9 December 1995, which was the result of a decision to purchase 50 wheeled armoured personnel carriers (APCs) as replacements for the 50 tracked APCs, which would have been provided as a voluntary contribution in kind.

3. Paragraph 15 of the corrigendum dealt with the action to be taken by the General Assembly at its current session in connection with the financing of UNAMIR. On the basis of the information contained in the report on the financial performance of the two missions (A/49/375/Add.1), the amount to be deducted from the assessed contributions would be $10,531,600 gross for UNAMIR and $1,288,200 gross for UNOMUR. Outstanding contributions for the two missions currently amounted to $21,706,826.

4. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee on the financing of UNAMIR and UNOMUR (A/49/501), said that there were no cost estimates for UNOMUR which, as indicated in paragraph 5 of the report, had closed on 21 September 1994.

5. Owing to political developments, the Secretary-General had not been able, as the General Assembly had requested in its resolution 48/248 of 5 April 1994, to submit the performance report for the mandate period ending 4 April 1994 and the budget estimates for the subsequent period no later than 31 August 1994. The Security Council having decided on 17 May 1994 to expand the mandate of UNAMIR and authorize the UNAMIR force at a level of up to 5,500 troops (excluding military observers and civilian police), the Controller had informed the Fifth Committee that the report on the estimates would be submitted in September 1994. As a result, the cost estimates submitted in the report were being considered less than two months before the end of the eight-month mandate period to which they related. Further, even though the General Assembly, in paragraph 10 of its resolution 48/248, had granted commitment authority to the Secretary-General for the period ending 31 October 1994, according to the revised cost estimate (A/48/837/Add.1) no amount had been left to be committed for the month of October. The Fifth Committee should thus give priority to the task of reforming the current procedures for the consideration of peace-keeping budgets, hence the importance of the upcoming debate on the report on the effective planning, budgeting and administration of peace-keeping operations (A/48/945).

6. The Advisory Committee presented its general observations in paragraphs 1 to 14 of its report, examined the estimates for the mission for the current period in paragraphs 15 to 46, and offered its views on the estimates for the period beyond 9 December 1994 in paragraphs 47 to 50. One comment that applied to all peace-keeping operations concerned the need to refine the method for relating budgetary estimates and other requirements to the operational plan. There was also a need for the Secretariat to give a clearer indication of the role of voluntary funded programmes, especially humanitarian activities, in peace-keeping operations.

7. In paragraphs 7 to 9 of its report, the Advisory Committee referred to developments in the Mission area since the adoption by the Security Council of its resolution 918 (1994) of 17 May 1994 expanding the mandate of UNAMIR, developments which had resulted in the issuance of revised estimates (A/49/375/Corr.1).

8. Taking into account voluntary contributions, the estimates amounted to $180.6 million gross ($178.9 million net) for the period 5 April 1994 to 9 December 1994. The amount included $62.2 million gross ($60.9 million net) committed in accordance with General Assembly resolution 48/248, and $37.2 million gross ($38 million net) in an additional commitment authorized for the period ending 30 September 1994 (A/48/828/Add.2). The estimate would cover requirements for a total of 6,390 personnel: 5,500 military personnel, 320 military observers, 90 civilian police, a proposed establishment of 233 international staff, 74 United Nations volunteers and 173 local staff.

9. The Advisory Committee, when it had considered the estimates, had not had before it the performance report for UNOMUR and UNAMIR (A/49/375/Add.1) indicating that there was an unencumbered balance for UNOMUR of $1.3 million gross for the period ending 21 December 1993 and an unencumbered balance of

$10.5 million gross in respect of UNAMIR for the period 5 October 1993 to 4 April 1994. The Advisory Committee would be reporting shortly, in the context of its report on document A/48/945, on the most appropriate procedure for performance reporting. In the meantime, the Fifth Committee might wish to consider, in the context of the assessment on Member States, how to treat the unencumbered balances.

10. In paragraphs 17 to 45 of its report, the Advisory Committee commented in detail on the cost estimates for various services. With respect to staff costs, the Advisory Committee again called for better presentation and justification in terms of the most up-to-date operational requirements. The total number and functions of civilian staff, and the grade levels of posts for Professional staff, had received particular attention. On the whole, the Advisory Committee believed that criteria needed to be developed for determining the number of civilian staff for various services in peace-keeping missions. It therefore welcomed the information that steps were under way to prepare standard staffing tables for missions of varying sizes. In the meantime ACABQ had requested that the personnel proposals for UNAMIR should be rationalized and had proposed a number of changes, as indicated in paragraph 26 of its report. In that connection he emphasized in particular the Advisory Committee's opinion in paragraph 26 (c) with respect to the question of resident auditors.

11. The Committee had commented extensively and had made specific recommendations on hazard pay, common staff costs, the proposed number of vehicles, and services such as telecommunication, data processing and contractual services. There had been considerable discussion of the latter and, in particular, of the need to continue contracting for the services of the Brown and Root Services Corporation. Subsequent to those discussions in the Committee and in addition to its recommendation in paragraph 43, the estimate for the contract for Brown and Root had been considerably revised (see para. 41). On the question of payments to Governments for potential claims in connection with equipment abandoned during the withdrawal of military contingents in April 1994, ACABQ was of the view that it was not necessary to appropriate at the current stage the amount of $7.8 million. Any claims received should be handled in the manner indicated in paragraph 31 of its report.

12. In paragraph 46 of its report, the Advisory Committee was recommending to the General Assembly an appropriation of $163,101,700 gross and an assessment of $100,744,440 gross, taking into account the credit of $5.3 million gross and an assessment of $57.1 million gross already authorized for the period in question. However, the final amount to be assessed would depend on how the Fifth Committee treated the results of the performance report (A/49/375/Add.1). In paragraph 50 of its report, the Advisory Committee was recommending a monthly commitment authority of $10.5 million, should the Security Council extend the mandate of UNAMIR beyond 9 December 1994, subject to such decisions as might be taken by the General Assembly after it had considered the relevant policy issues in document A/48/945 and the related report of ACABQ.

13. The Advisory Committee had tried as best it could to produce a report addressing the comments made by some delegations, namely to explain clearly the basis of each recommendation and reflect as accurately as possible information supplied by representatives of the Secretary-General. As a result, the report was slightly longer and more detailed. As the preparation of reports of that kind took much more time, and taking into account the fact that the Secretariat frequently corrected and changed texts and even proposals submitted to the Committee, the timely submission of ACABQ reports to the Fifth Committee was bound to be affected.

14. Mr. TAKASU (Controller), replying to the comments of the Chairman of the Advisory Committee, emphasized, as had the Chairman of ACABQ, that it was difficult to prepare budget estimates when operational requirements were constantly changing. In the case of UNAMIR, in mid-September the Secretary-General had submitted a 100-page report on the financing of the Mission, which at the end of September had been followed by a 17-page corrigendum on revised cost estimates and, in mid-October, by a 34-page addendum containing the performance report for the previous period, or a total of more than 150 pages. While it was essential to provide the Advisory Committee with as complete and relevant information as possible, the volume of documentation did not facilitate the review of budget estimates. In order to improve and simplify the presentation, the Secretariat would in future endeavour to prepare standard costs, standard staffing tables for missions of varying sizes, standard coefficients for vehicles or equipment according to force strength, and so on, and in budget reports would consider only the elements that differed from those standard estimates.

15. The Secretariat accepted all the Advisory Committee's recommendations and would endeavour to provide more detailed information and justification regarding the new posts, activities financed from voluntary contributions, vehicles, equipment and logistical arrangements. Nevertheless, there should be adequate time for careful consideration of the headings to be included in all budget reports.

16. With regard to the simplification of budget procedures, the Secretariat was incapable of submitting, on an ongoing basis, reports dealing with one particular mission. That was why, in the case of UNAMIR, it had prepared cost estimates for the period from 5 April to 9 December 1994, and for a period of 12 months beginning on 10 December 1994, in order to ensure the operation of the Mission. The recommendation contained in paragraph 50 of the Advisory Committee's report, which authorized the Secretary-General to enter into commitments at a monthly rate not to exceed $10.5 million gross for the period beyond 9 December 1994, subject to the prior concurrence of the Advisory Committee, would put the Secretariat in a difficult position. First, the recommendation would require the Secretariat to submit cost estimates to ACABQ in November. Secondly, the authorized amount of the costs, which had been reduced by nearly one half, would not be sufficient to ensure the operation of the Mission, which currently involved 5,006 military personnel, 319 military observers and 47 civilian police.

17. Because of the political situation and the evacuation of personnel, the Secretariat had had difficulty in preparing the performance report and had had to send Headquarters staff to the field to obtain the necessary information. It had been decided that, in future, a performance report would be submitted three months after the period under consideration. However, it might be difficult to follow that procedure when there was a rapid change in the situation or owing to other problems such as the lack of information from the zone of operations or a staff shortage in the Budget Division.

18. Hazard pay appeared under "common staff costs" but was not included in standard costs. Hazard pay and other payments were mandatory costs that should be contained in the performance report. With regard to the equipment abandoned during the withdrawal of military contingents, the Secretariat had received a claim for payment from one Member State whose equipment, having substantial value, had been abandoned during the evacuation, and it might well receive other claims. When the amount of payment had been determined, he would request the necessary appropriation. With regard to contractual services, he had requested a representative of the Department of Peace-keeping Operations to provide the necessary explanations.

19. Mr. BEISSEL (Acting Director of the Field Administration and Logistics Division, Department of Peace-keeping Operations) explained the "internal difficulties" (A/49/501, para. 40) that had prevented the use of the established procedure of competitive bidding for the procurement of logistical support services for UNAMIR. First of all, as in the case of contingents, such services were usually provided by Member States. However, in Rwanda, as in Somalia, that had not been possible. The Secretariat had therefore decided, bearing in mind the specific requirements of the Mission and in the light of the results provided by the Brown and Root Services, to hold a "standard" competitive bidding procedure for the award of that contract. However, the difficulties identified at that stage by the Office of Legal Affairs and the Department of Administration and Management had hindered the process. Those difficulties - which were currently about to be resolved - were due in large part to the Secretariat's lack of experience: accustomed to concluding contracts for set amounts, the Secretariat had had to adapt to a different procedure based on general specifications relating to the services to be provided. Such a readjustment had entailed additional work. The Secretariat was currently preparing to invite tenders for services to be provided in Somalia, Rwanda and, if necessary, Angola and Haiti. It therefore hoped that in future it would be able to improve its performance in providing logistical support for missions.

20. Mr. ROESCH (Germany), speaking on behalf of the States members of the European Union, said that they had played a leading role in humanitarian assistance to Rwanda and had contributed substantially to the relief operations. They subscribed on the whole to the recommendations of the Advisory Committee but reserved the right to request additional information and clarification during the informal consultations, particularly with regard to abandoned equipment and humanitarian activities. While taking note of the Advisory Committee's comments in paragraphs 40, 41 and 42 of its report, they stressed the importance they attached to compliance with the procedure of competitive

bidding for procurement and intended to take that question up again when the Committee considered agenda item 132. With regard to the cost estimates for the period from 10 December 1994 to 9 December 1995, the amount recommended by the Advisory Committee might prove inadequate; that was another point that would no doubt require further discussion during the informal consultations. On the other hand, the cost estimate for the current period (5 April to 9 December 1994) would appear to be satisfactory, to judge by the modest reduction recommended by the Advisory Committee. It was therefore to be hoped that a draft resolution on the question could be adopted rapidly.

21. Ms. ROTHEISER (Austria) said that she would confine herself to preliminary remarks for the time being. Her delegation in general endorsed the Advisory Committee's recommendations and, in particular, shared its concern about procurement for contractual services expressed in paragraphs 40 to 45 of its report. Her delegation would appreciate a more thorough explanation from the Secretariat as to the exact reasons for contracting services from a private company without competitive bidding, despite the assurances given by the Controller. In the course of the current session, her delegation would discuss United Nations procurement policy and practices in detail.

22. The late issuance of the financial performance report for UNAMIR I and the submission of incomplete cost estimates that had had to be updated subsequently were unfortunate occurrences that jeopardized the work of the Advisory Committee and unnecessarily prolonged the procedure for the consideration and approval of the budget estimates. That should not become standard practice. Her delegation noted with satisfaction that, according to information provided by the Controller, the Secretariat intended to improve the presentation of the budget estimates for peace-keeping operations.

23. Mr. SHARP (Australia) said that it was impossible for the Secretariat to furnish the many different budget estimates expected of it in time. The issuance of vital documents such as the financial performance reports for UNAMIR I suffered accordingly. In any event, it would be necessary, during the informal consultations, to review in greater detail the commitments recommended by the Advisory Committee for the period from 10 December 1994 to 9 December 1995: at first sight, the 50 per cent reduction proposed by the Committee seemed somewhat excessive.

24. Mr. CHAMBALA (Zambia) said that he was concerned to note that the planned deployment of military personnel (5,500 persons) had been delayed. UNAMIR played a crucial role in the restoration of peace and stability in Rwanda and in confidence-building, which were essential in order to facilitate the return of the populations that had fled the country and to avert a recurrence of the disaster; it was thus important to provide the Mission with all the support and resources it needed. In the circumstances, it might be dangerous at the present juncture to give priority, as the Advisory Committee appeared to wish to do, to the humanitarian role of UNAMIR over its strictly military function and its security mandate. Such a shift in emphasis seemed premature, to say the least.

25. That being said, his delegation generally endorsed the Advisory Committee's recommendations, with regard to both the cost estimates for the period from 5 April to 9 December 1994 and the estimates for the period after 10 December 1994. Since it was difficult to foresee how the situation would later evolve, however, he thought it preferable to avoid for the time being too large a reduction in the expenditure proposed by the Secretary-General. His delegation would take part in the informal consultations on that question. He also felt it necessary to consider the problems common to UNAMIR and other peace-keeping operations in the light of the proposals contained in document A/48/945, in order to find solutions that would facilitate the Organization's task in any future missions it might undertake.

26. Mr. BEN HAMIDA (Tunisia), while welcoming developments in the field, said that the United Nations should maintain its support in order to facilitate a return to normal life in Rwanda. While the humanitarian dimension was important, it should not cause the "security" aspect to be reflected. His delegation was therefore surprised at the Advisory Committee's proposal that the costs estimated by the Secretary-General for the period beyond 9 December 1994 should be reduced by 50 per cent. It would give that proposal further consideration and hoped to receive clarification during the informal consultations.

27. Mr. MAIGA (Mali) said that he, too, was concerned about the substantial reduction in estimated costs recommended by the Advisory Committee. He also associated himself with the concerns expressed about the failure to comply with the competitive bidding procedure, stressing that procurement should proceed in accordance with the relevant provisions of the Financial Regulations. Another cause of concern was the Advisory Committee's recommendation that the number of local staff should be reduced. The importance of local personnel for the success of the Mission was well known. Mali, which contributed contingent personnel to UNAMIR, intended to keep the matter under careful review, and his delegation would consequently take up those various issues again during the informal consultations.

28. Mr. ABIOLA (Nigeria) said that he welcomed the international community's efforts to restore peace and security in Rwanda. While appreciating the reasons why the Advisory Committee was recommending a reduction in the scale of the operation, he urged that the United Nations effort and presence should be maintained at the levels recommended by the Secretary-General until the situation in Rwanda had fully returned to normal.

29. Mr. MONGELLA (United Republic of Tanzania) said that his country attached particular importance to the question of Rwanda and would join in efforts to reconcile the Secretariat's proposals and the Advisory Committee's recommendations to reduce the costs by almost half. Although it was true that there were many outstanding questions concerning peace-keeping operations that called for long-term solutions, the financing of UNAMIR should not be penalized because of those more general problems.

30. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions), responding to questions and requests for clarification, said that the question of the financing of peace-keeping operations had become extremely complicated and represented an increasingly heavy burden for the Advisory Committee and the Fifth Committee. In such circumstances it was quite understandable that some delegations had difficulty in analysing in depth the bulky documents made available to them just before they were discussed, hence the need for clarifications and supplementary explanations.

31. With regard to the number of local staff, the Advisory Committee had not recommended, in paragraph 23 of its report, any reduction. As for the possibility that the emphasis in UNAMIR activities might be shifted from purely military security-related tasks to the support of humanitarian operations, that did not involve any recommendation of the Advisory Committee - which, in any event, was not competent to make such recommendations. The phrase quoted in paragraph 8 of the Advisory Committee's report had been taken from the report of the Secretary-General to the Security Council (S/1994/1133), and it was for the latter to review the question, which had not entered into the formulation of the Advisory Committee's recommendation.

32. In more general terms the Advisory Committee did not wish its recommendations to hinder the operation in Rwanda, and, therefore, it had not recommended a 50 per cent cut in the budget. The appropriation recommended by ACABQ to the General Assembly, namely $163,101,700 gross, was close to the amount of $180,574,300 gross proposed by the Secretary-General in paragraph 15 (a) of his report (A/49/375/Corr.1) - the difference was nowhere near 50 per cent.

33. In fact it would appear that there had been confusion on the part of some delegations with the recommendation contained in paragraph 50 of the Advisory Committee's report relating to the period beyond 9 December 1994. On the one hand it was not known at present when those cost estimates would be considered. On the other hand the Secretary-General had submitted, in document A/48/945, proposals which, if adopted, would have an impact on the cycle for the formulation of peace-keeping budgets. The Advisory Committee was thus not in a position to make a recommendation on the cost estimates for UNAMIR for the period 10 December 1994 to 9 December 1995. It had confined itself to recommending on a provisional basis the monthly amount in respect of which the Secretary-General should be given commitment authority should the Security Council decide to extend the mandate of the operation beyond 9 December 1994. That monthly amount had been calculated on the basis of the appropriation recommended for the preceding period, namely $163.1 million for eight months. If the start-up costs, which, according to information provided by the Secretariat, had amounted to $79.3 million, were deducted, there remained $83.8 million in recurrent expenditure, namely, dividing by 8, $10.5 million per month. It was in respect of that latter amount that the Advisory Committee was recommending that the Secretary-General should be authorized to enter into commitments beyond 9 December 1994. Should the Secretariat conclude that certain start-up costs would recur, they would need to be added back.

34. Mrs. PERREAULT (United States of America) reaffirmed her delegation's firm support for the Mission. It approved the Advisory Committee's report and considered the recommended cost reductions to be justified.

35. Mr. CHABALA (Zambia) explained that, in raising the question of the shift in emphasis in the Mission's activities, his intention had been to caution against any attempt to base the cost estimates on that eventuality. Such an approach would be premature in view of the unstable political situation. Moreover, he sought clarification with regard to the final sentence of paragraph 23 of the Advisory Committee's report in which he clearly saw a recommendation that the number of local staff should be reduced.

36. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that the Advisory Committee's recommendation was not to reduce the number of local staff. The Secretary-General should review the staffing with a view to a possible reduction, but the Advisory Committee would take his conclusions into account, whatever they were.

37. Mr. TAKASU (Controller) said that the cost estimates for the current period took account of the variation in the number of military personnel, from a mere 350 at the beginning to some 5,000 now. Since the number was to be increased to 5,500 after December 1994, the corresponding cost estimates were based on a very much larger staffing table than the average for the previous period. It was for that reason, and not because there would again be start-up costs, that the cost estimates for the period beyond 9 December 1994 were higher than for the current period. Furthermore, the Mission made ample use of local staff, who were of invaluable assistance to it. The Secretariat would review the question, as the Advisory Committee had requested, and would submit its conclusions in due course.

38. Mr. ALOM (Bangladesh) said that his delegation was fully in favour of continuing the Mission but had some reservations as to the cost estimates for the period beyond 9 December 1994. On the whole, it shared the views expressed by the Advisory Committee, particularly in paragraphs 24, 26 (c) and (f), 34, 36 and 46 of its report.

39. The staffing question was a particularly important one. It could be seen from annex XIV to document A/49/375 that there were a number of unnecessary posts: he wondered why there was provision for a Special Assistant at the P-5 level, when the post could be entrusted to a P-2 officer; why there were two Political Affairs Officers at a time when the emphasis had shifted to other more important activities; and whether, given the other posts provided for in the Office of the Director of Administration, the post of Senior Administrative Officer was necessary. Similarly, he wondered whether it would not be possible for the Chief of the Office for the Coordination of Humanitarian Assistance to discharge the duties assigned to that Office without the help of two other officers; and whether it would not be possible to reduce the number of posts in the Office of the Chief of Logistics Control.

40. His delegation fully appreciated the Secretariat's efforts at streamlining and the results which had been achieved in some sectors, but it felt that more should be done and that some items of expenditure could be reduced, for instance in respect of civilian personnel (both international and local), transport operations and miscellaneous services. It was not a question of jeopardizing the functioning of the Mission but of ensuring the optimum allocation of funds.

41. The CHAIRMAN said that, if he heard no objection, he would take it that the Committee had concluded the general debate on agenda item 130.

42. It was so decided.

The meeting rose at 12.05 p.m.